

# 59<sup>th</sup> Medical Wing

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**U.S. AIR FORCE**

## 59 MDW Otorhinolaryngology (ENT) Product Line Analysis

Information Brief

Briefer: LtCol Julian

Date: 2 Sep 04

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***Integrity - Service - Excellence***

# Overview

- Revised Financing & Business Plan
- San Antonio Multi-Service Market (SA-MM)
- Centralized Consult Management and Appointing (CAMO)
- ENT Product Line Review

# Revised Financing Overview

## Prospective Payment System

- MTF receives PRIME capitation funding for enrollees plus ancillary pass-through and specialty mission funding (e.g. student population, etc.)
  - Use resources to maximize return on investment
- Goal 1: Provide Care of your Prime Enrollees
  - In-house vs. “make vs. buy” to Private Sector
  - MTF responsible for all PRIME care rendered in both direct care and private sector
- Earn Revenue on Fee for Service (FFS) Basis
  - Other MTFs’ Enrollees, Space-A (Active duty and other), Tricare Plus and TRICARE for Life, and MCSC (new)
- Bottom-line: We need to take care of our enrollees and meet our business plan targets;

# Business Plan Overview

## Actual 59 MDW Performance Oct-Apr 04

RVUs	IHC	Other DC	PC	Total PRIME	Other Enr	SA AD	SA NAD	Plus	Total FFS
Actual	226,718	14,145	48,784	289,647	70,374	63,642	42,481	93,027	269,524
Target	250,489	22,422	40,921	313,832	82,541	96,674	83,462	64,871	327,548
Diff	(23,771)	(8,277)	7,863	(24,185)	(12,167)	(33,032)	(40,981)	28,156	(58,024)
% Met	91%	63%	119%	92%	85%	66%	51%	143%	82%

RWPs	IHC	Other DC	PC	Total PRIME	Other Enr	SA AD	SA NAD	Plus	Total FFS
Actual	2,352	201	295	2,848	1,700	255	2,964	2,688	7,607
Target	2,499	249	321	3,069	1,830	387	4,252	1,813	8,282
Difference	(147)	(48)	(26)	(221)	(130)	(132)	(1,288)	875	(675)
% Met	94%	81%	92%	93%	93%	66%	70%	148%	92%

 Bottom-line: -\$4.3M

Source: P2R2 Virtual Analyst website

- Performance against targets seen differently for PRIME & FFS patients
- FY04 Targets based on FY02 LOE with no adjustments
- Falling short of FY02 FFS LOE

# Business Plan Overview Summary

- Internal Business Case Analyses to ensure we're:
  - Doing the right mix in-house care/Take care of PRIME
  - Using our resources to get greatest return on investment
  - Maximize FFS capacity to earn revenue
- Focus on Customer Satisfaction, Access to Care, Productivity, and Data Quality
- Targets of Opportunity
  - Reimbursements
  - Increase enrollment in areas of growing population  
Aggressively referrals in SA MM and Network
- FY05 Business Plan
  - 25% at risk in Year 1 (05)
  - LOE is FY03 less adjustments for mobility & enrollment

# SA-MM Overview

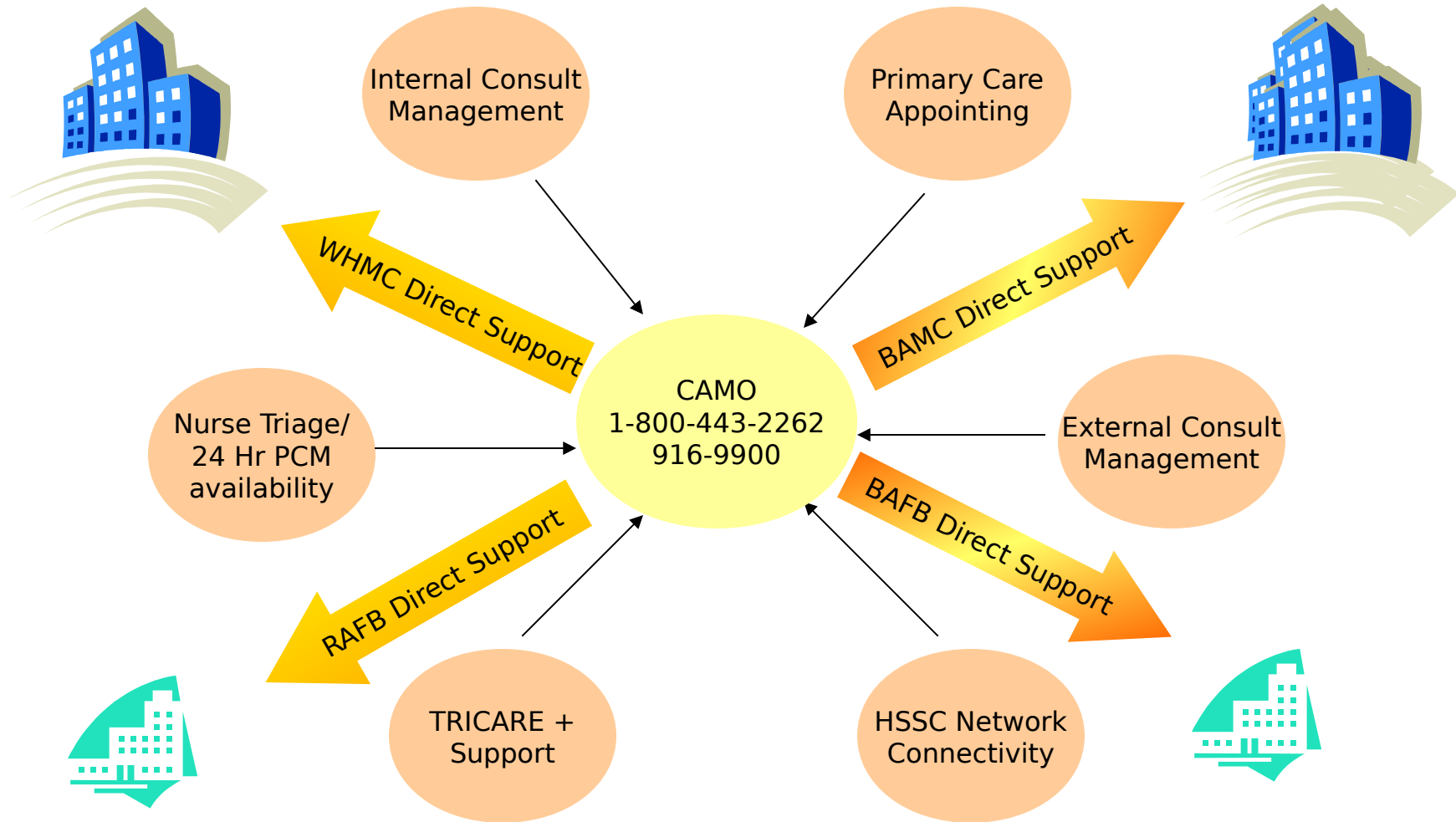
## Goals & Objectives

- San Antonio Multi-Service Market (SA-MM) consists of WHMC, BAMC, Randolph Clinic, and Brooks Clinic
  - Goals: Achieve the following desired end states
    - Optimize efficiency between direct and purchased care markets
    - Eliminate duplicate services
    - Increase synergy and cooperation among San Antonio MTFs
    - Ensure patient satisfaction with access and quality service
    - Strengthen Readiness by allocating the appropriate mix of resources
  - Objectives
    - Optimize provider mix across specialty lines
    - Move providers and add facility capacity to meet population demands
    - Conduct rigorous business planning for clinical service lines
    - Optimize Third Party Billing, Contracting and Pharmacy
    - Establish a **SA-MM Consult, Appointment and Management Office**

# CAMO Benefits

- Recapture Prime Leakage through more effective utilization of Market resources
- Provide “Entire Market” approach to appointment and referral processes
- Eliminates competition between MTFs and encourages cooperation
  - Encourages consolidation of clinical service lines
  - Facilitates GME (free movement of patients and staff between MTFs)
- Provides single POC for coordination between Purchased Care System and MTFs on referrals

# SA-MM CAMO





# ENT

## Product Line Analysis

- Clinic Description
- Manpower and Staffing
- Readiness/Mobility Taskings
- Access to Care
- Template Review
- PRIME Leakage, PSC Use, and Recapture
- Coding Analysis
- Comparison to Civilian Benchmark
- Business Plan Implications
- Third Party Collections
- ENT Initiatives and Issues
- Dashboard

# ENT

## Clinic Description

- Outpatient Clinic with Inpatient/Surgical Caseload
  - Service offered at both WHMC & BAMC
- Audiology and Speech Pathology are key elements of this product line
  - BAMC currently referring all speech and audiology to WHMC

# ENT

## GME Program Status

- Integrated Residency Program
  - 2 AF Starts per Year/1 Army start per year
  - 8 Total AF Residents/4 Total Army Residents
    - Total 12 Residents in Integrated Program
- RRC Status: 5-year accreditation
- Overall Program Health: Excellent\*
  - 100% Board Certification Pass Rate
  - 100% on-time Graduation
  - Scores: top 15% nation-wide
  - Case Mix and Patient Volume: Good
    - All programs nation-wide (40% tile)
    - 2/3 of patient volume from patents over 65 (requires 25-30 visits/surg)
  - OR Starts:
    - Minimum #7
    - Optimum #9

*\* Exception Issues next page*

# ENT

## GME Program Issues

- Could do more outpatients
  - Requires opening a minor care operating room. Anesthesia needs?
- Head and Neck Cancer Case Mix
  - 90% Head/Neck Cancer patients are over the age of 65 years
  - Head/Neck cancer case numbers are in the (30% tile) compared to the national average
  - Further decrease in case load, especially “Head/Neck cancer” cases would be a red flag for residency renewal committee

# ENT Manpower and Staffing

	AUTHORIZED				ASSIGNED				
Providers	MIL	GS	Total		MIL	GS	K*	Total	%Manning
45N3	7		7	45N3	7			7	100%
42N3A	6		6	42N3A	7			7	117%
42N3B	1	4	5	42N3B	1	3*		4	80%
Total Providers	14	4	18		15	3	0	18	100%
	AUTHORIZED				ASSIGNED				
Support Staff	MIL	GS	Total		MIL	GS	K	Total	%Manning
46N3 (RN)	1		1	46N3	1		1	2	200%
4N1X1D	13		13	4N1X1D	11		2	13	100%
4A0X1	3	3	6	4A0X1	3	3	2	8	133%
4N0X1		1	1	4N0X1	0	1		1	100%
Total Support Staff	17	4	21		15	4	5	24	114%

## **ENT:**

Brennan (Flt/CC)  
Wiseman (Prog. Dir)  
Mair  
Horlbeck  
Lopez  
Gal  
Weitzel

## **Audiology:**

Sierra (Ele/CC)  
Graley  
Tourtilott  
Eisenach  
Pederson  
Jones  
Salzar

## **Speech:**

Harrison  
Kolaja  
Stinson/Williams\*

## **Sub-Specialties:**

- Head/Neck Oncology
- Neurotology
- Pediatric Otolaryngology
- Plastic/Facial Plastics
- Neuro-Audiologist

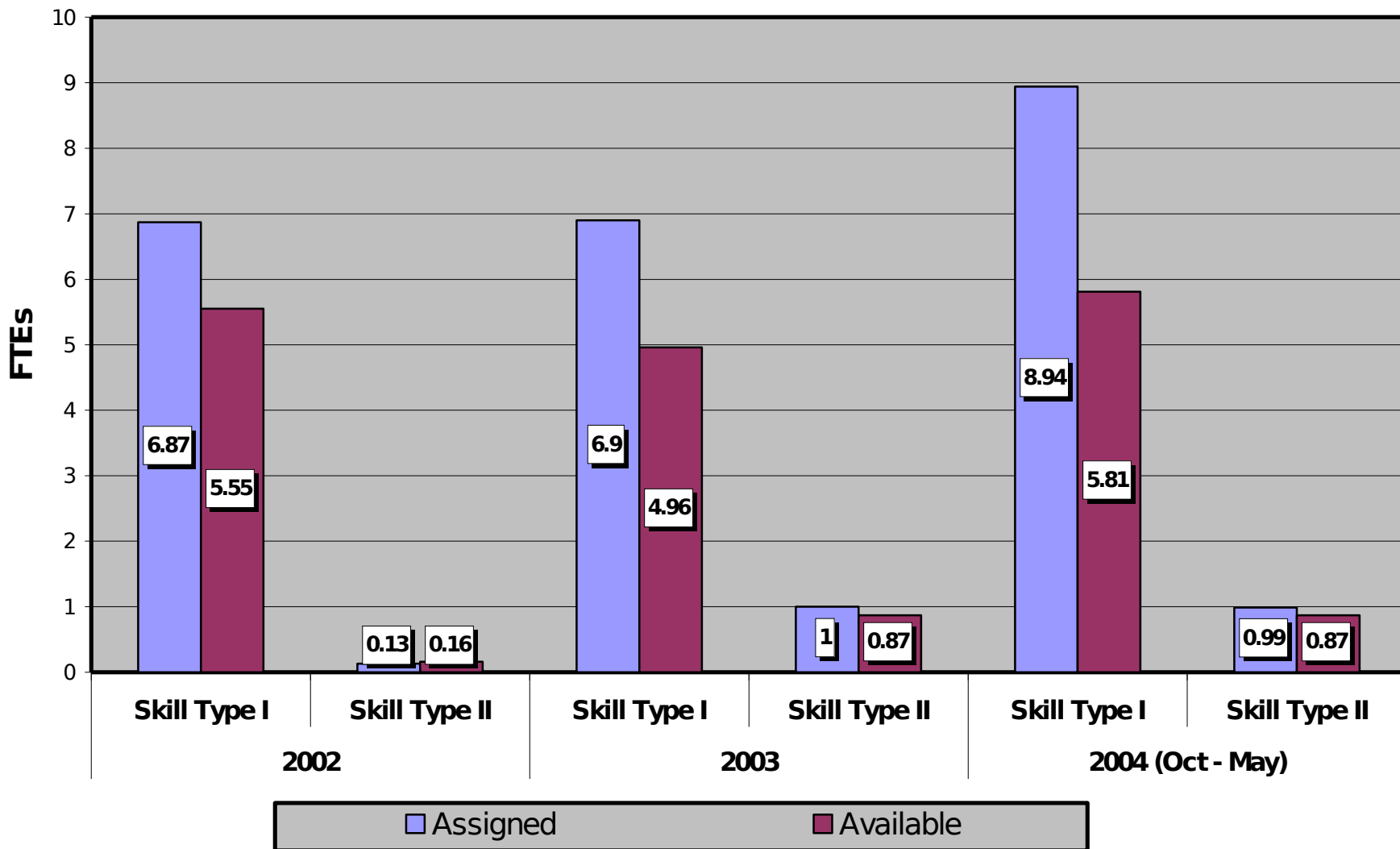
*Source: 859 MSGS*

# ENT

## Manpower and Staffing

- How does MAPPG06 change authorizations?
  - Decrease 1 physician; add P.A. instead
  - Decrease 4As from 6 to 5 (-1)
- Resource Sharing Agreements and Contractors
  - Specialty Care Optimization (1 Nurse and 1 4A0X0)
  - Resource Sharing (forecast decrease 66% staffing, loss of 1 4N0X0 and 1 4A0X0)
- AFMS-wide staffing outlook:
  - 45N3 ENT Physician 30% undermanned (fluctuating)
  - 4N1X1D ENT Surgical Technician forecast manning will remain approximately 75%

## WHMC ENT FTE Reporting by Fiscal Year



# ENT

## Mobility and Other Deployments

- Physician Deployments (SGX Database)
  - FY03:
    - 0 deployments/0 man-days
  - FY04 Taskings in Turtle Model:
    - ENT Augmentation Team, AEF 9/10
    - Total man-days expected: **120/year\***
- FY03 Humanitarian and Civic Assistance
  - 2 residents for 28 days total (Honduras)
  - 6 physician missions for 152 days total
  - Total: 180 days

*\* Not counting transition days*



# ENT

## Access to Care

- Standard for Access to Specialty Care: 28 Days
- ENT Actual:
  - Met: 79% overall
  - # Appts Met: 341
  - Total # Appts: 429
  - Avg Wait Time for Access: 19.81

• ENT is **meeting standard for**  
Routine Access to specialty care

# ENT

## Template Review

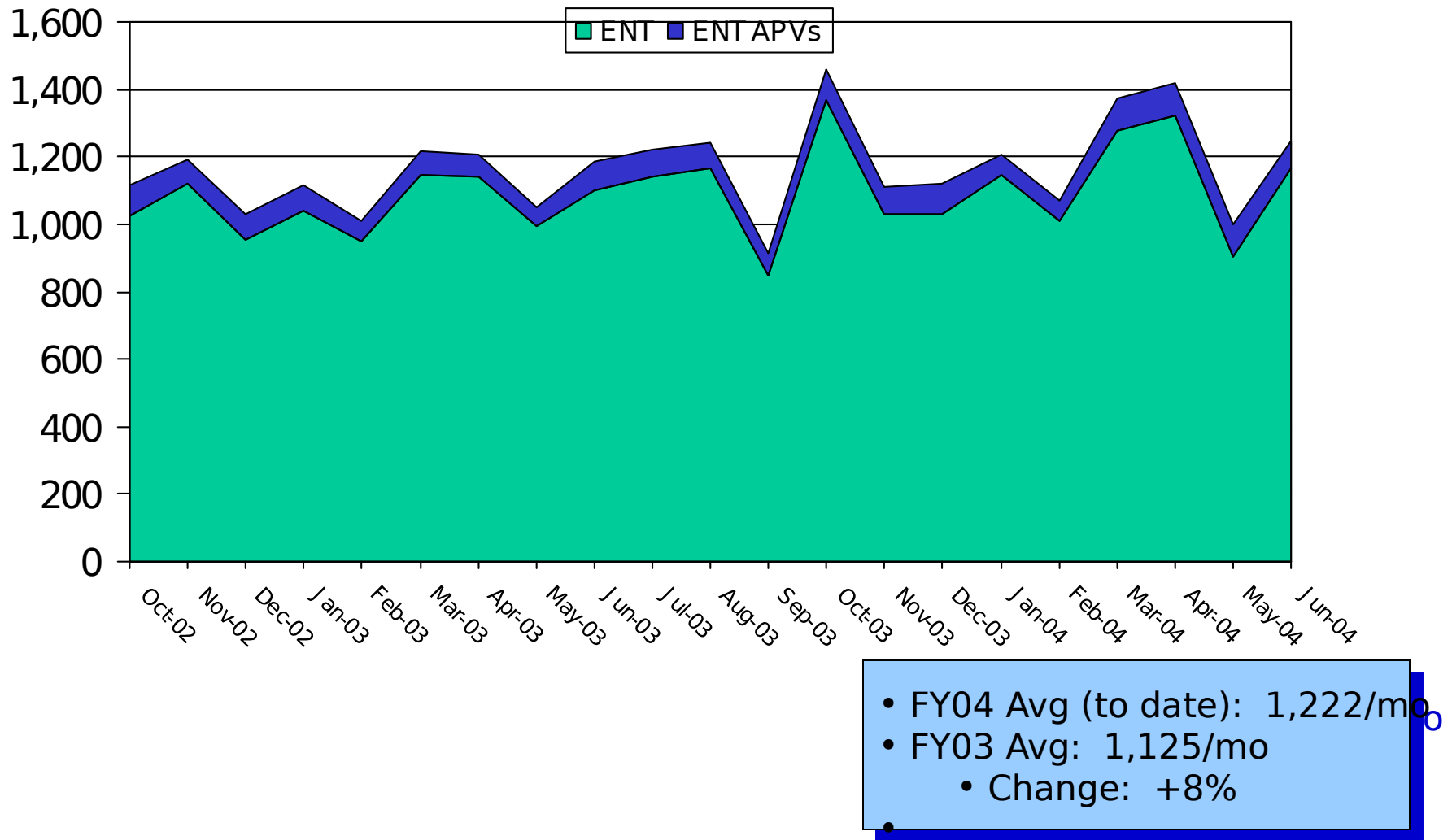
Clinic	Total Templat ed	Booked	% Booked	Total W/I	% W/I of Total	Total (Booked + W/I)
ENT	939	881	94%	325	27%	1206

- Saw 128% of templated appointments

\* Sample: Jun 04

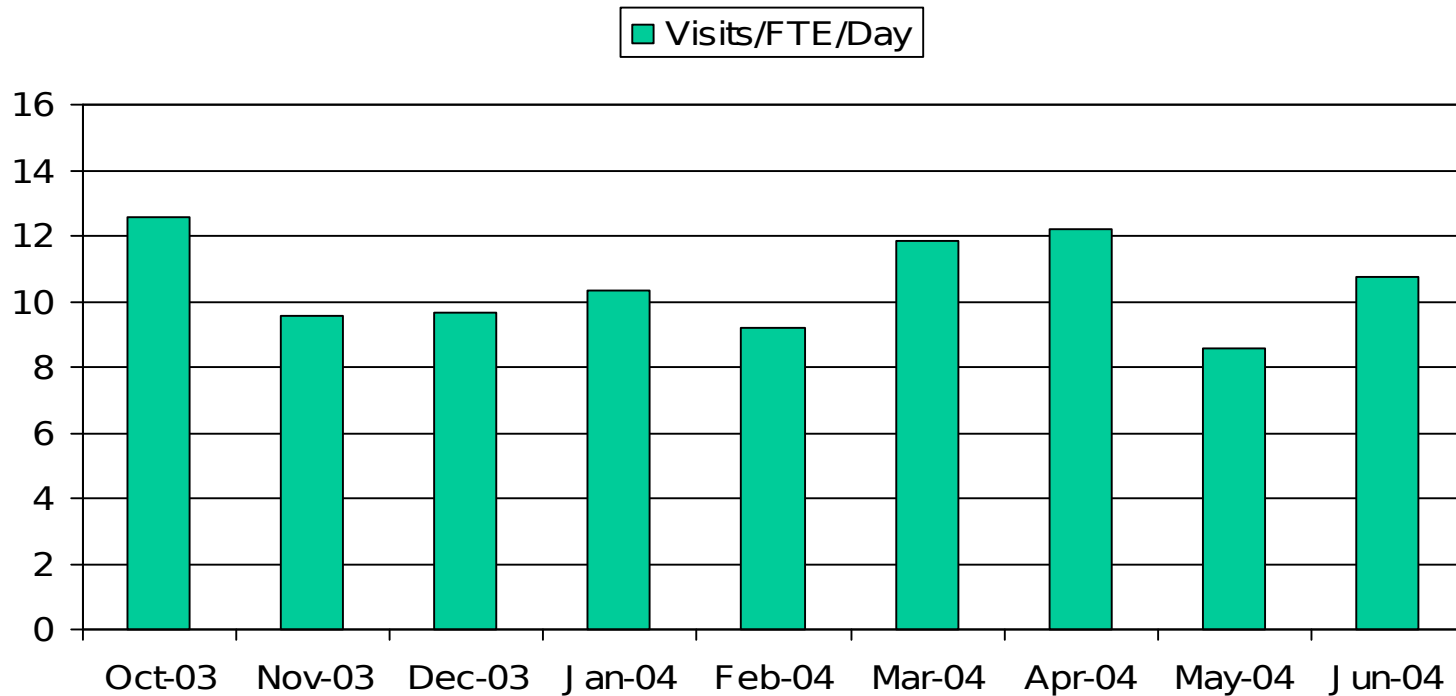
# ENT

## Total Visits Oct 02-Jun 04



# ENT

## FY04 Visits/FTE/Day\*

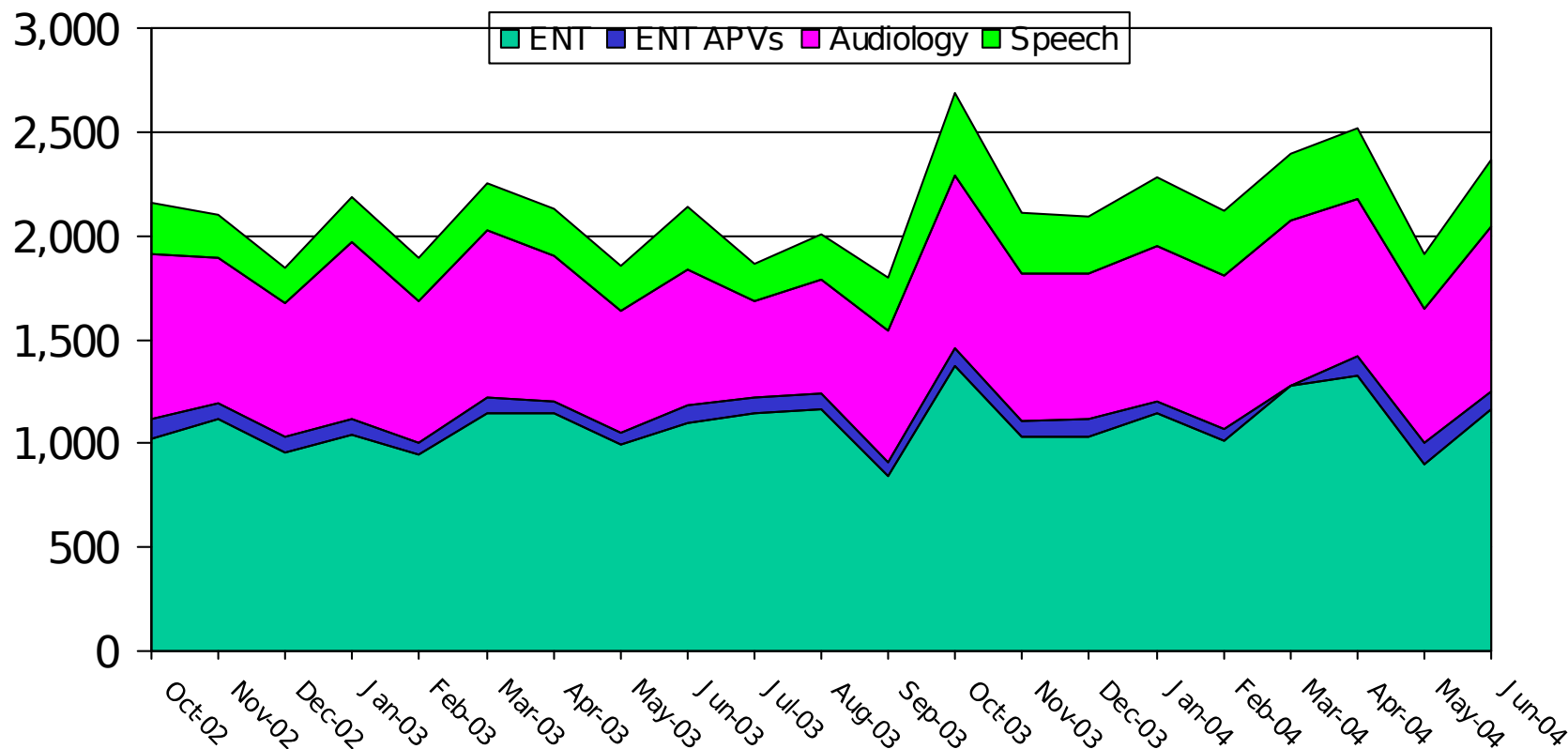


\* Total OP Visits/MEPRS "Avail" FTE  
Assumes 20 duty days per month

- Avg: 10.5 outpatient visits per day per FTE (not counting surgeries or inpatient consults)

# ENT (+ Audiology/Speech)

## Total Visits Oct 02-Jun 04

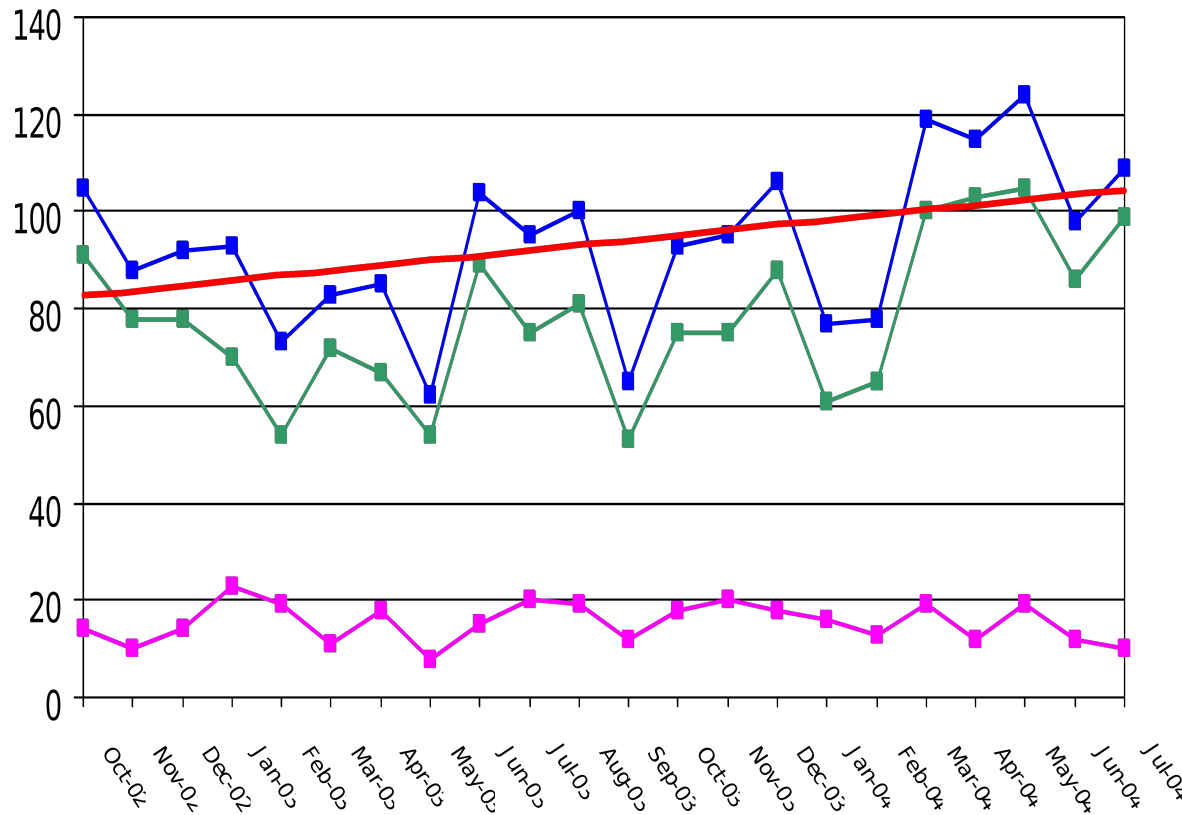


- Audiology: up 11% (746/mo)
- Speech: up 42% (317/mo)

# ENT

## Surgeries and OR/APVs Oct 02-Jun 04

—■— ENT Surgeries —■— ENT APVs —■— Total —■— Linear (Total)

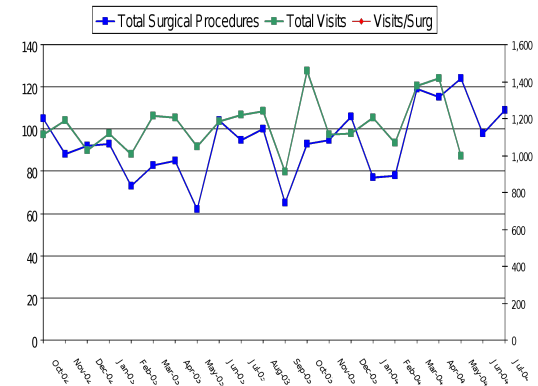
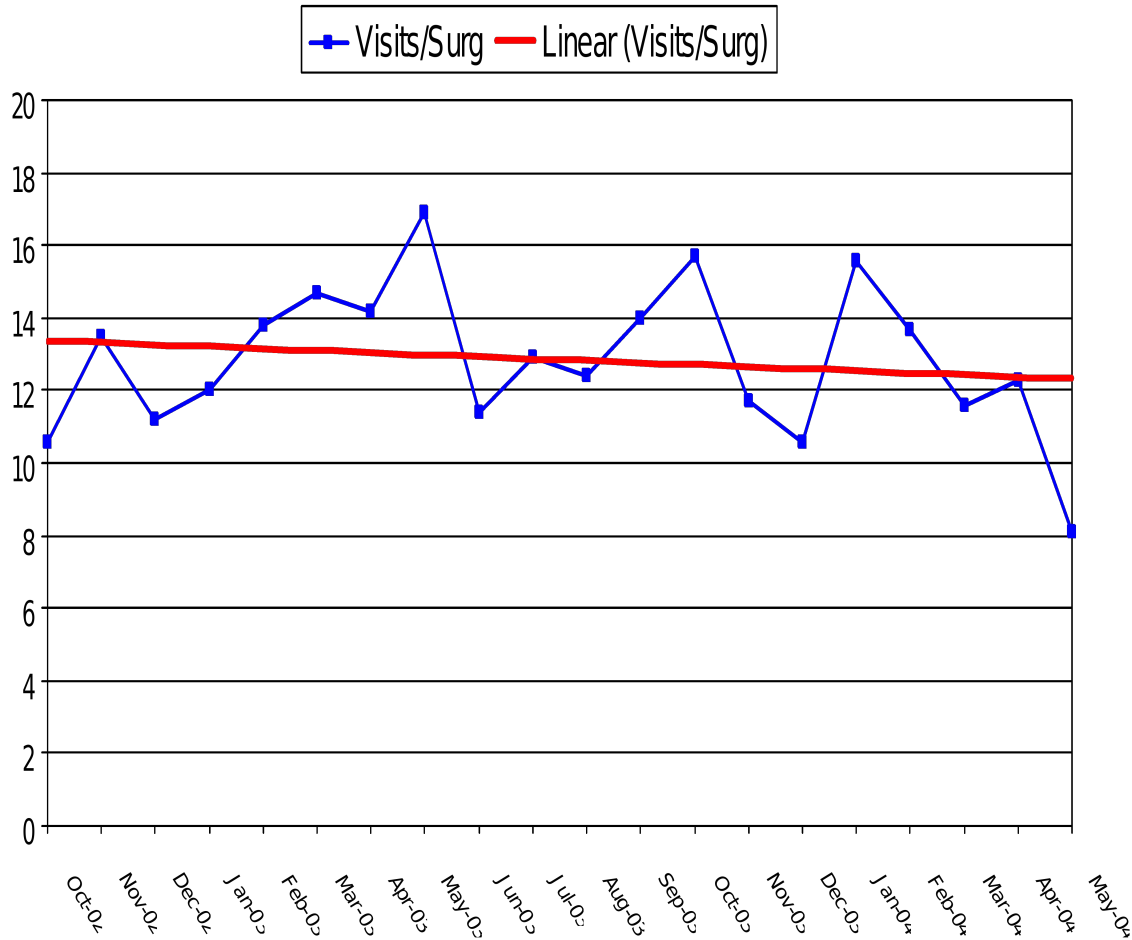


- Surg/OR APV distribution  
FY03: 18%/82%  
FY04: 15%/85%
- Avg # Surgeries/mo
  - FY03: 25
  - FY04: 26 (up 3%)
- Avg # OR/APVs/mo
  - FY03: 72
  - FY04: 86 (up 19%)

- Overall, the number of ENT surgical cases increased 16% overall in FY04 over FY03 (87 to 101)

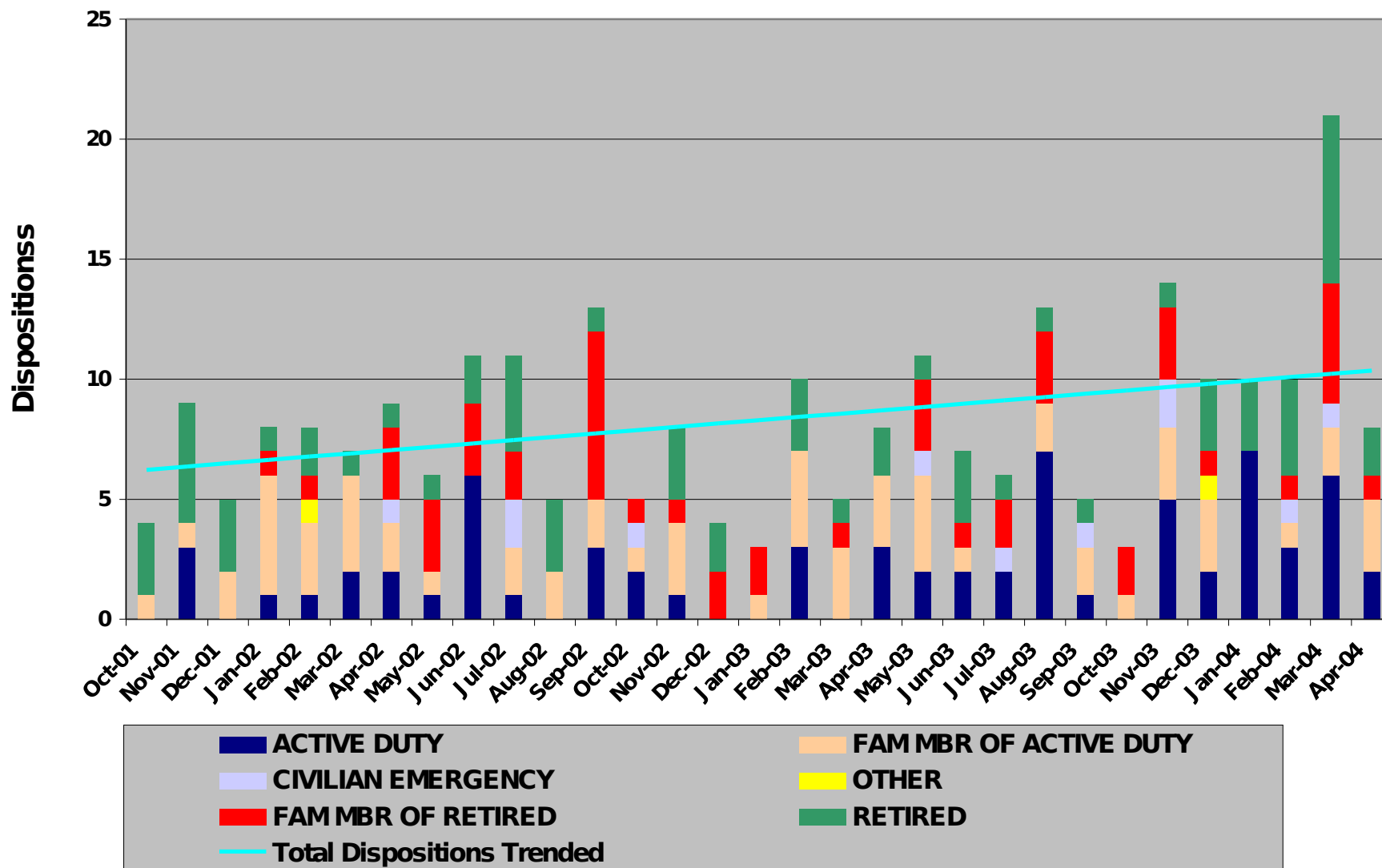
# ENT

## Visits per Surg Proc/Oct 02-Jun 04



- Ratio of total visits seen for each surgical procedure is down to 12.4 from 13.1 in FY03 or a decrease of 5%

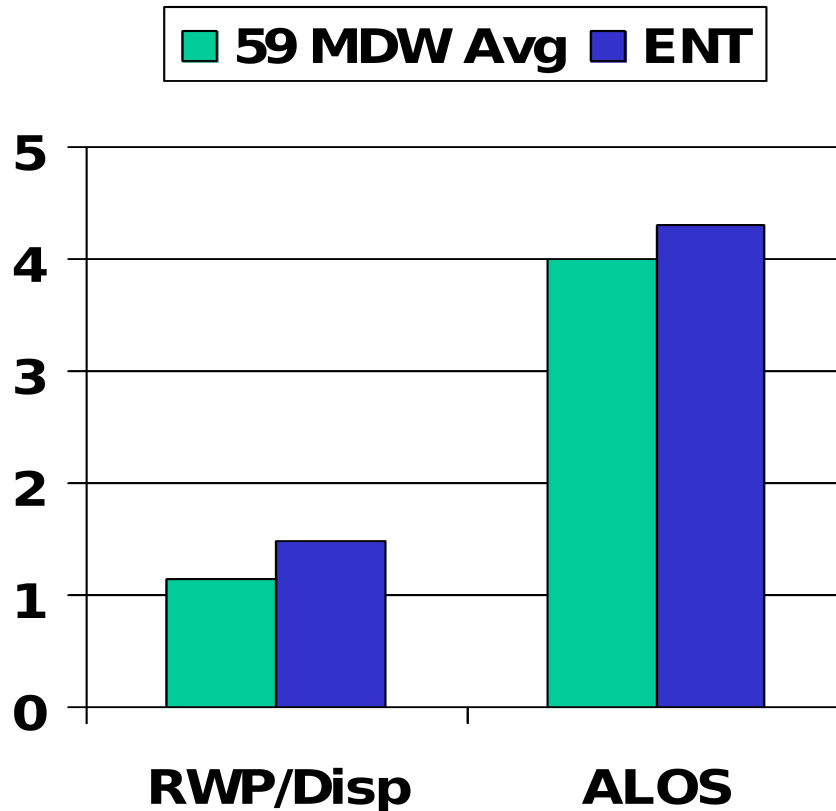
# WHMC ENT Dispositions Trended FY02 to FY04





# ENT

## RWP and ALOS vs. Avg

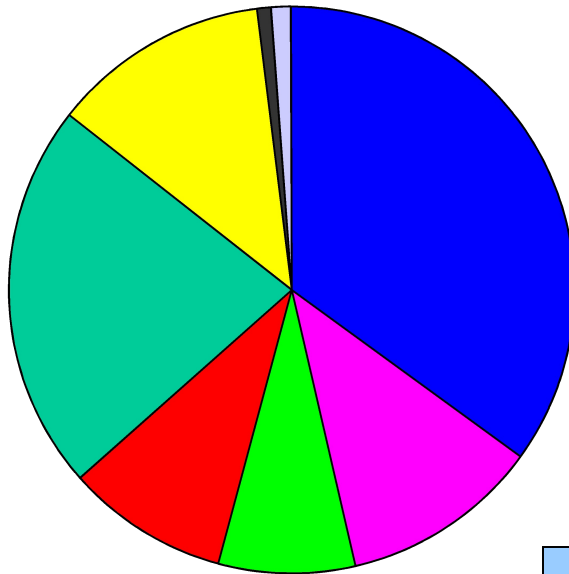
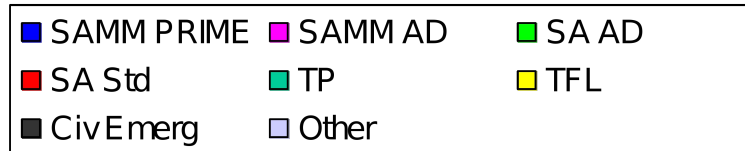


- ENT RWP/Disp of 1.49 is 30% higher than 59 MDW Avg
- ALOS is 4.3 or 8% higher than 59 MDW Avg

• Both RWP/Disp and ALOS are higher than 59 MDW average

# ENT

## Visits by Enrollment Category (FY03)

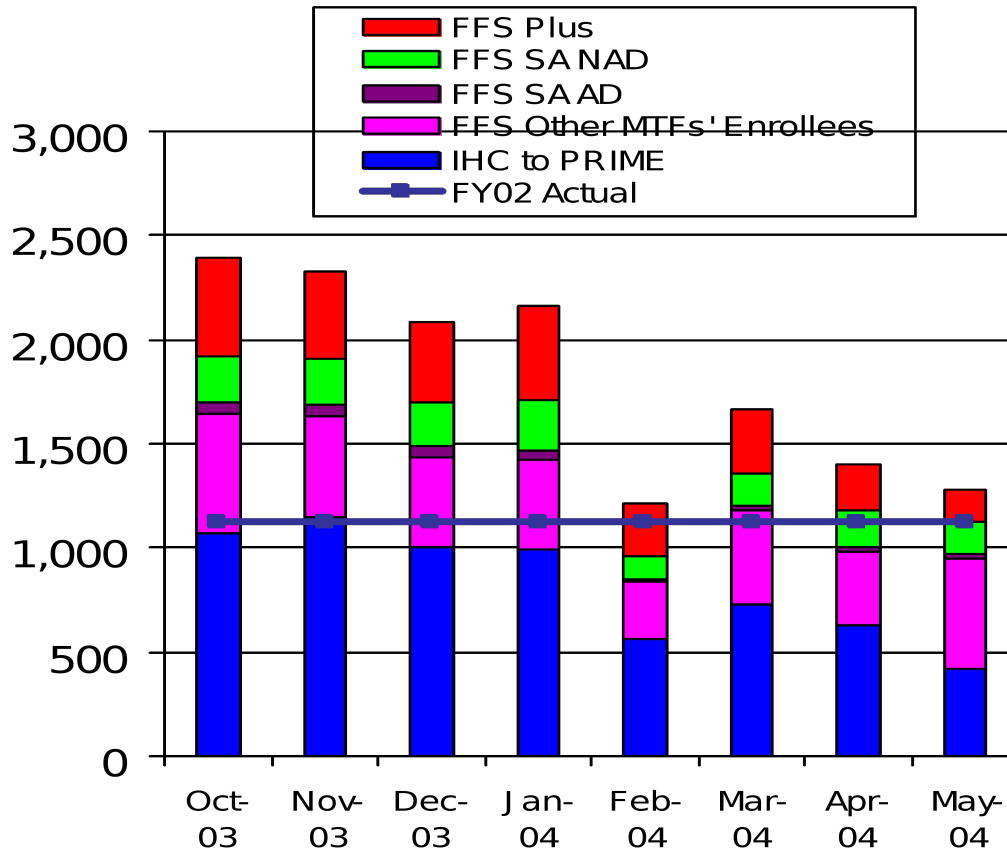


- Avg: 2.7 Visits per User
  - Plus: 3.4
  - PRIME: 2.6
  - AD/AD PRIME: 2.2
- Total FY03 CMAC: \$1.78M
  - Avg CMAC/Visit: \$76/visit
  - Plus: \$75/visit
  - PRIME: \$77/visit
  - AD Prime: \$76/visit

- Visits for SAMM PRIME (NAD and AD) and SA AD patients make up 54% of all visits; over age 65 beneficiaries make up 35% of visits
- Plus visits/user are highest while CMAC/visit same for all patient types

# ENT

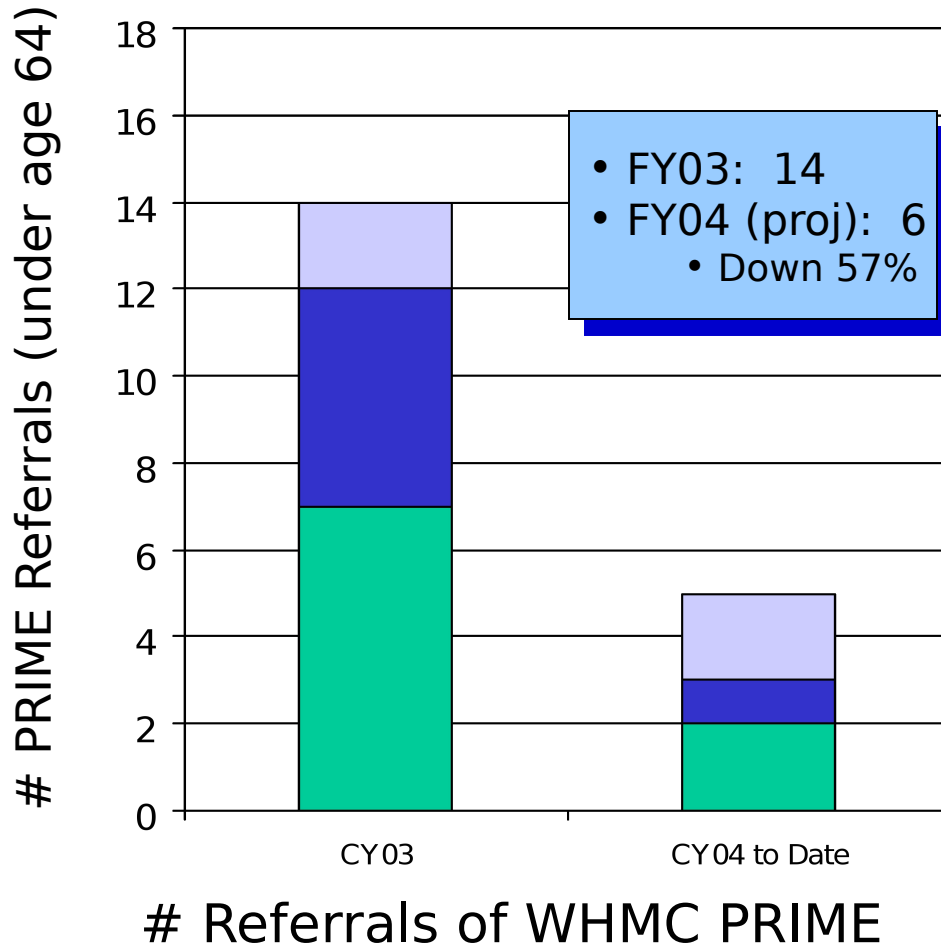
## Direct Care RVUs Oct-May 04



- Overall, ENT RVUs for care performed at WHMC decreasing since Oct 03
  - FY02 Avg: 1,128/mo
  - FY04 Avg: 1,815/mo
- Avg % RVUs by Category:
  - IHC Prime: 45%
  - Other MTFs' Enr: 24%
  - Plus: 18%

# ENT

## PRIME Containment & Referrals (OP)




Category	FY03	FY04 To Date
AD	\$ 1,080	\$ 636
BAMC Prime	\$ 19,166	\$ 7,874
WHMC Prime	\$ 40,614	\$ 11,140
Other MTFs	\$ 17,894	\$ 5,620
Network PRIME	\$ 34,242	\$ 32,725
Standard < 65	\$ 47,889	\$ 28,230
Total < 65	\$ 160,882	\$ 88,225

- Roughly half of referrals out of WHMC are due to 2d opinions or continuity of care vs. lack of access

\* Months-long delay in real-time info in M2

# ENT

## Recapture Opportunities

- WHMC and BAMC have approximately 95% of the market share (based on FY03 Data)
  - WHMC CMAC: \$1.78M
  - BAMC CMAC: \$1.21M
  - Purchased Care CMAC (< 65 yrs): \$161K (5%)
- FY04 (to date) Private Sector Care Claims: 
  - OP - < 65 \$88K (\$28K is Tricare Std)
  - IP - < 65 (Elective): \$54K

# ENT

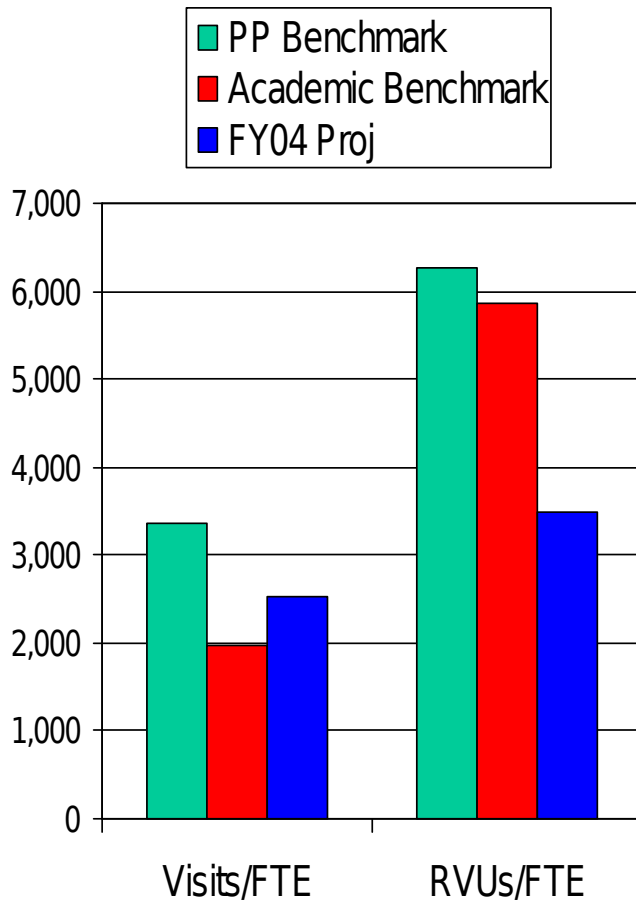
## Coding Analysis

- Coder Situation: 1 coder (outpatient)
- Data Quality\* (Goal: 90% or more)
  - ICD9: 59.7% (WHMC Avg: 80.7%)
  - CPT: 82.6% (WHMC Avg: 76.8%)
  - E&M: 25.0% (WHMC Avg: 81.3%)

- April 04 Audit
- Near AFMSA Standard in CPT but below in ICD9 and E&M

# ENT

## Benchmark Comparison per FTE



	MEPRS Avail	1 Mil FTE=,7
#FTEs	5.8	4.9
Proj FY04 Visits*	14,668	14,668
Proj FY04 Visits/FTE	2,529	2,993
PP Benchmark (visits/FTE)	3,360	3,360
% Compared to PP Benchmark	75%	89%
Academic Benchmark (visits/FTE)	1,983	1,983
% Compared to Acad. Benchmark	128%	151%
FY04 RVUs (Proj)	20,192	20,192
RVU/Visit	1.38	1.38
RVU/FTE	3,481	4,121
PP Benchmark (RVU/FTE)	6,273	6,273
% Compared to PP Benchmark	55%	66%
Academic Benchmark (RVU/FTE)	5,875	5,875
% Compared to Acad. Benchmark	59%	70%

- MEPRS: 8.41 staff /1.73 P.A.s (10.14)
- RVUs/FTE Benchmarks not met
- Academic stds assume ~2.0 RVU/visit

# ENT

## Business Plan Performance Oct-May 04

Outpatient Care	Total PRIME	Total FFS
Actual Oct-May 04	6,926	7,806
Target	4,310	5,176
Diff	2,616	2,630
% Met	161%	151%
\$ Implications	\$ (193,584)	\$ 194,620
Inpatient Care	Total PRIME	Total FFS
Actual Oct-May 04	70	165
Target	57	133
Diff	13	32
% Met	123%	124%
\$ Implications	\$ (78,000)	\$ 192,000

ENT OP	\$ 1,036
ENT IP	\$ 114,000
Financial Bottom-line	\$ 115,036

- Spent more than projected for PRIME due to recapture efforts but also saw more FFS patients than in FY02
- Bottom-line: Impacted 59 MDW over BP performance by +\$115K



# ENT

## New FY05 BP Targets vs. Current

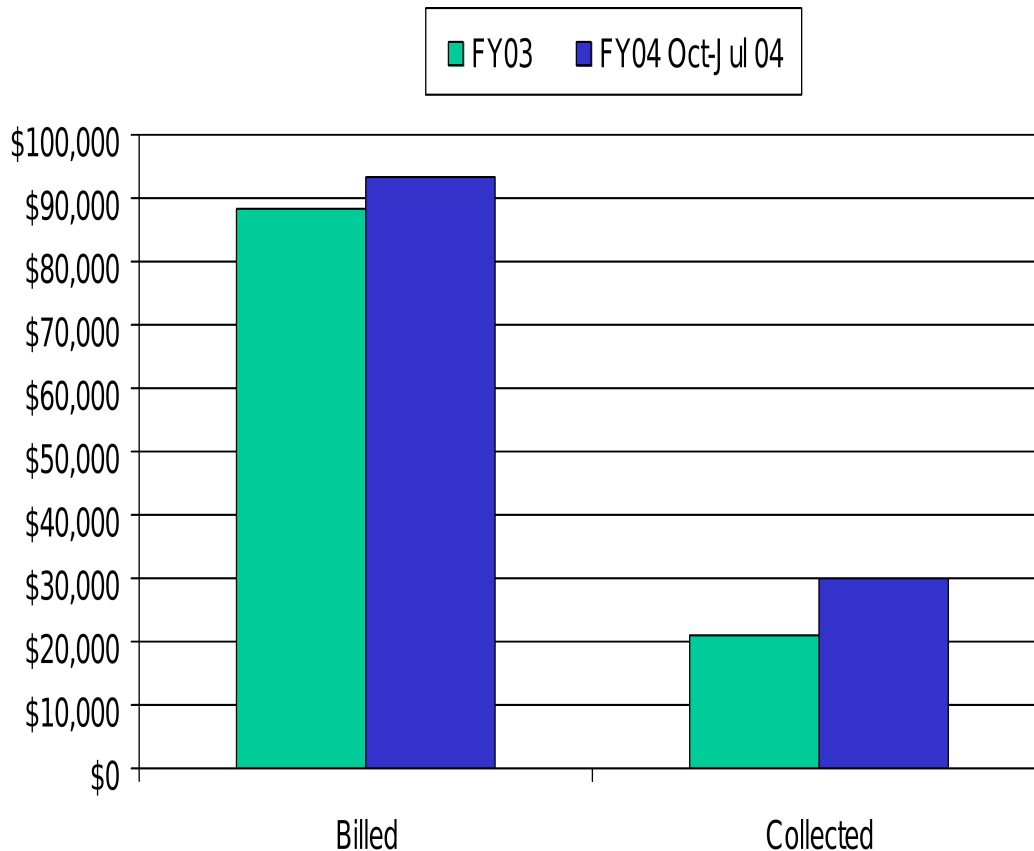
- ENT Targets calculated by Air Staff based on:
  - Increased Enrollment/Mobility Taskings/Renovations

Outpatient Care	Total PRIME	Total FFS
Actual Oct-May 04	6,926	7,806
New FY05 Target	8,874	6,697
Diff	(1,948)	1,109
% Met	78%	117%
\$ Implications	\$ 144,152	\$ 82,066
Inpatient Care	Total PRIME	Total FFS
Actual Oct-May 04	70	165
New FY05 Target	55	137
Diff	15	28
% Met	127%	120%
\$ Implications	\$ (90,000)	\$ 168,000

ENT OP (Proj 05)	\$ 226,218
ENT IP (Proj 05)	\$ 72,000
Financial Bottom-line	\$ 298,218

# ENT

## Reimbursements FY03 vs. FY04



- Bill to Collection Ratio
  - FY03: 0.24
  - FY04: 0.33
    - .19 for APVs
    - .35 for visits
- Billing Rate
  - FY03: \$7.4K/Mo
  - FY04: \$9.3K/Mo (up 26%)
- Collections: up 43% over FY03

→ \$30K collected  
as of Jul 04

# ENT

## Customer Satisfaction

- DoD Customer Satisfaction Survey
  - New real-time mechanism will be on-line soon
- Overall Satisfaction (FY03/04):
  - ENT: 100%/80%
  - Speech: 75%/50%
  - Audiology: 75%/67%
- Satisfaction with Medical Care (FY02/03/04)
  - ENT: 88%/100%/100%
  - Speech: 80%/67%/not rated
  - Audiology: 100%/80%/100%

# ENT

## Clinic Initiatives








- Initiatives
  - Increased Utilization Kelly Audiology Clinic
  - Opening Clinic Minor Operating Room
  - Combine Clinic's Reception waiting area (awaiting funding)








# ENT

## Clinic Issues/Requirements

- Outdated/Obsolete Equipment  
(Microscopes, Digital Endoscopy Equipment)
- Decreased Administrative manning/staffing
- Limited Office space
- Additional exam room could be utilized with purchase of microscope

# ENT Stoplights

Area Reviewed	
Health of GME Program	
Manpower/Staffing	
Access to Care (Specialty Care)	
Use of Templated Appointments	
Visits/Surgeries over Time	
PRIME Containment	
Market Share	

Area Reviewed	
Recapture Opportunity	
Data Quality	
Productivity vs. Civilian Benchmarks	
Total RVUs vs. BP Target	
BP Performance Oct-Apr 04	
Proj. BP Performance (New Targets)	
Customer Satisfaction	

Please Note: These are initial assessments and will be Updated based on your input 3 Sep 04

# ENT

## Next Steps

- Step 2
  - Follow-up: 3d Week Sep (Template)
- Step 3
  - Projected WHMC/BAMC Brief: late Sep 04/early Oct 04



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